

Definitions of Terms

Appendix A

Battery	A system or arrangement of tanks or other surface equipment that receives fluid from, or delivers fluid to, one or more wells, and includes an injection pump, a pump station and equipment or a device designed to separate the fluid into oil, gas and water and to measure the amount of oil, gas and water.
Crown	Her Majesty the Queen, in right of the province.
Disposition	A lease or an exploration reservation in respect of Crown oil and gas rights.
Exploration reservation	A form of disposition that gives the holder the exclusive right, in the reservation area referred to in the exploration reservation, to drill for oil and gas and to test a well to determine whether the well is capable of producing oil and gas.
Enhanced recovery	Increasing the recovery of oil and gas from a pool by the use of artificial means or the application of energy extrinsic to the pool, including pressuring, cycling, pressure maintenance or injection into the pool of a substance or form of energy, but not including injection into a well of a substance or form of energy for the sole purpose of <ul style="list-style-type: none"> (a) aiding in the lifting of fluids in the well; or (b) stimulating the reservoir at or near the well by mechanical, chemical, thermal or explosive means.
Flow line	A pipe or system of pipes used to convey oil, gas, water or other fluid between a well and a battery or between batteries, and includes any other pipe or system of pipes that the director designates as a flow line, but does not include a pipeline.
Gas plant	A system or arrangement of pressure vessels, piping and other equipment designed to process gas from a well or battery or to recover gas products.

Appendix A (cont'd)

Definitions of Terms

Geophysical operation	<p>An operation conducted on or over land to determine geological or other conditions in the subsurface for the purpose of locating reservoirs, and includes:</p> <ul style="list-style-type: none"> (a) A seismic program, (b) A gravity, magnetic, electrical, radioactivity or geochemical survey, and (c) A hole that is 150m or less in depth drilled through sedimentary rock to obtain information respecting structure stratigraphy or lithology.
Lease	A form of disposition that gives the holder the exclusive right to drill for oil and gas within the lease area and to remove and dispose of any oil and gas produced from the lease area.
Oil and gas facility	A battery, flow line, pipeline, drilling or service rig, vehicle, gas plant or other installation or equipment that is used to process, convey or store oil, gas, helium or water, but does not include equipment used in connection with the underground storage of gas.
Oil and gas interest	<p>The ownership of, or an interest in, oil and gas or a right to drill for, take, win, gain and remove oil and gas from land, whether the ownership, interest or right is acquired by lease, grant, assignment or otherwise, but does not include:</p> <ul style="list-style-type: none"> (a) The ownership of, or an interest in, oil and gas that is acquired as a result of an acquisition of title to land or an interest in land where the title includes oil and gas rights in respect of the land, or (b) an interest in Crown oil and gas rights.
Oil and gas lease agent	A person who negotiates, on the person's own behalf or on behalf of a third party, the acquisition of an oil and gas interest from a royalty owner or an agent of a royalty owner.
Oil and gas rights	In respect of a parcel of land, rights to search for and produce oil and gas found in or under the land.

Definitions of Terms

Appendix A (cont'd.)

Operator

- (a) With respect to geophysical operation, the holder of a geophysical licence issued under *The Oil and Gas Act* or a person who has control or management of the geophysical operation;
- (b) With respect to a well, a person who holds a well licence issued under *The Oil and Gas Act*, or who has control or management of the well;
- (c) With respect to an oil and gas facility, a person who holds a licence or permit under *The Oil and Gas Act* in respect of the oil and gas facility or who has control or management of the facility; and
- (d) A contractor who contracts or engages in operations pertaining to drilling, completing, equipping, servicing, operating, producing, suspending the operation of, or abandoning a well.

Pipeline

A pipe or system of pipes, located wholly within the province, that is designed or used to convey oil and gas, refined petroleum products or other fluids produced by, or used in association with, an oil and gas facility and includes:

- (a) All property, real and personal, used for the purpose of, or in connection with, or incidental to, the operation of a pipeline; and
- (b) Tanks, surface reservoirs, pumps, racks and storage, loading and other terminal facilities and all real property necessary for the operation of the pipeline or used in connection with the pipeline;

But does not include a flow line, transmission line, distribution system or a refining, manufacturing or marketing pipeline situated wholly within the property of an industrial plant.

Appendix A (cont'd) Definitions of Terms

Production Tax	A tax imposed under <i>The Oil and Gas Production Tax Act</i> and the <i>Oil and Gas Production Tax Regulation</i> on all oil and gas produced in the province from freehold oil and gas rights.
Reservoir	A subsurface area that contains, or might contain, oil, gas, helium, or that is or might be suitable for the underground storage of hydrocarbons and excludes underground tanks.
Royalty	An amount determined under <i>The Oil and Gas Act</i> and the <i>Crown Royalty and Incentives Regulation</i> reserved to the Crown in respect of any substance obtained or taken under a lease issued under <i>The Oil and Gas Act</i> .
Royalty owner	In respect of a parcel of land, a person who holds any oil and gas, or a share of any oil and gas, found in the parcel of land, and may include the Crown.
Shot hole	A hole drilled for the sole purpose of detonating an explosive charge as part of a geophysical operation.
Spacing unit	The area allocated to a well for the purpose of producing oil and gas from a formation.
Well	<p>A hole in the surface of the ground</p> <ul style="list-style-type: none"> (a) That is made by drilling or boring into the ground for the purpose of <ul style="list-style-type: none"> i) Exploring for oil, gas, oil shale, salt, potash or helium, ii) Obtaining water for injection into a pool, iii) Disposing of salt water and other substances produced in association with oil, gas, salt or helium, iv) Injecting water or any other substance to enhance the recovery of oil and gas, or v) The development and operation of a storage reservoir, or (b) From which oil, gas, helium or salt has been, or could be produced.

CONTRIBUTORS

Employment and Income Assistance Program

Audit Team

James Wright
Ashley Jia
Jo Johnson
Joel Kirton
Jacqueline Ngai
Jon Stoesz
Brendan Thiessen

Monitoring Compliance with the Ambulance Services Act

Audit Team

Dallas Muir
John Heke
Grant Voakes

Compliance with Oil and Gas Legislation

Audit Team

Dallas Muir
John Heke
Jon Stoesz

Pharmacare Program - Part 2

Audit Team

John Heke
Marianne Farag
David Storm
Melissa Emslie
Donovan McIvor
Fraser McLean
Jon Stoesz
Grant Voakes

Executive Management

Carol Bellringer
Sandra Cohen

Desktop Publishers

Sandra Humbert
Jan Smith

Cover Design

Cocoon Branding Inc.

